



December 20, 2002

For more information: Susan Sports
Public Information Officer
(678) 413-8657

ATTENTION GEORGIA MOTORISTS!

The Department of Motor Vehicle Safety (DMVS) begins today contacting via mail approximately 1.7 million vehicle owners throughout the State who have not yet been added to the auto insurance database or Georgia Electronic Insurance Compliance System (GEICS). A reason may be that their insurance company has not yet transmitted the electronic record that needs to be received by the DMVS. Recipients of these letters will be asked to contact their insurance company so that they can be added to the state database, which will soon serve as proof of insurance.

Beginning February 1, 2003 the automobile insurance information card that you carry in your glove box will no longer be proof of vehicle insurance coverage when you are stopped by law enforcement or go to renew your vehicle registration. Instead, the DMVS is preparing to implement the legislatively mandated electronic verification system, which will enable law enforcement to access insurance policy data from their vehicles through the state-run database.

It is hoped that the database will help law enforcement officers crack down on uninsured drivers. Previous studies have asserted that a large number of drivers purchase automobile insurance only to receive the card. They purchase their vehicle tag and then cancel the liability insurance but still have the non-valid card in their possession to use as proof of insurance if they are questioned. The primary objective of this new database is to better enforce the automobile insurance requirements in Georgia; thereby decreasing the likelihood that someone will be hit by an uninsured motorist.

Passed in the 2002 Session, House Bills 994 and 1314 amend code section 40-6-10 and Title 40 to create the database that will allow law enforcement, county tax commissioners and the DMVS to quickly verify automobile insurance coverage. Prior to these acts, two different state agencies had been attempting to develop and implement the verification database. Still incomplete, the project was passed to the DMVS upon its creation in July 2001. DMVS officials recognized early that the project contained critical flaws - a major factor was the way the program was written to compare the driver's license to the insurance policy number. Anticipating another eight to ten months to rework the program, the DMVS requested and received an extension from the Legislature with a February 1st, 2003

implementation date (HB 1314). One stipulation, however, was that the system must be in the testing phase by November 1, 2002. The DMVS actually began the testing phase in June 2002 with some insurance companies submitting the first information in August 2002.

Georgia currently has about 7.5 million active vehicle registrations. Excluding utility trailers, government vehicles and self-insured vehicles, this total is 6.6 million. DMVS has received 5.2 million records from 209 insurance companies that match VIN's in the database. 367 insurance companies have registered with the DMVS. Error rates from these companies have been as low as 1.5% and as high as 17%. The overall average is 8%. "Given the fact that some people were estimating much higher error rates, we are very pleased with this initial error rate," said DMVS Commissioner Tim Burgess. "Now that we are receiving daily updates from insurance companies, I would expect this error rate to be much lower by February 1st. Apparently insurance companies are working very hard to correct any inaccuracies they may have had in their records," he added.

The new program compares the data received from insurance companies and matches it against the state's (GRATIS) tag and title database. The program requires that your vehicle identification number (VIN) on your vehicle's registration card or tag receipt match the vehicle identification number on your insurance card.

After February 1st, motorists will not be able to renew or transfer their vehicle registration in Georgia unless their insurance company has provided proof of insurance electronically to the state database. The car owner will be alerted via the vehicle registration prebill which is mailed 30 days before the old decal expires that there is a problem with their data. This way motorists will be aware of a conflict before making the trip to the tag office.

"It's imperative that everyone who owns or drives a vehicle in Georgia take the personal responsibility to make sure that your tag registration card and your insurance policy match. Even if it's one number off, it will make a tremendous difference. If these two numbers match, then you will register as insured in the database. If the actual VIN number on your vehicle is different, this is a secondary issue that a citizen can begin to clear up by visiting their local tag office," said Burgess.

A driver's insurance information card will continue to be very important should you become involved in a traffic accident, travel out of state or if a vehicle is covered by a commercial vehicle policy. Therefore, the DMVS strongly advises that you continue to receive an insurance information card from your insurance provider and that you carry this card in your vehicle.